Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

UNCLASSIFIED

PAGE 01 STATE 186524

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E.O. 11652: N/A
TAGS: ETRN, OECD
SUBJECT: MTC: SHIPPING POLICY CONSULTATION EXERCISE,
OCTOBER 1, 1973

REF: A) STATE 183156; B) OECD PARIS 21069
C) STATE 148207

THE US REPLIES TO THE QUESTIONS ON REGULATION OF LINER CONFERENCES, SHIPPERS' ORGANIZATIONS, MARITIME RELATIONS WITH THE SOVIET UNION AND CARGO CARRIAGE PRACTICES FOR THE THIRD ROUND OF CONSULTATION (DAF/MTC/73.36) ON MEMBER COUNTRIES' SHIPPING POLICIES TO BE HELD OCTOBER 1, 1973 ARE TRANSMITTED FOR FORWARDING TO THE OECD MTC SECRETARIAT. PARAGRAPHS ARE INDICATED BY ALPHABETICAL LETTERS.
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 186524

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

1. RESPONSE TO QUESTIONS I AND II, REGULATION OF LINER CONFERENCES (JAPAN).

A) CONGRESSIONAL ATTENTION WAS DIRECTED TO CONFERENCE PRACTICES IN 1912 WHEN THE ALEXANDER COMMITTEE, A SUBGROUP OF THE MERCHANT MARINE AND FISHERIES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, EMBARKED UPON AN INVESTIGATION TO DETERMINE WHETHER AGREEMENTS EXISTING BETWEEN COMMON CARRIERS BY WATER OPERATING IN THE FOREIGN COMMERCE OF THE UNITED STATES SHOULD BE RECOGNIZED AND THEREBY PERMITTED

TO OPERATE CONCERTEDLY WITH ANTI-TRUST IMMUNITY, OR TO RECOMMEND THAT THE SHERMAN ANTITRUST LAW BE ENFORCED AND THESE CONFERENCES DISBANDED. SUBSEQUENTLY, ON SEPTEMBER 7, 1916, THE UNITED STATES SHIPPING ACT OF 1916 WAS ENACTED. SECTION 15 THEREOF, AS AMENDED, GRANTS THE FEDERAL MARITIME COMMISSION AUTHORITY TO APPROVE AGREEMENTS "CONTROLLING, REGULATING, PREVENTING, OR DESTROYING COMPETITION,, AND THEREBY EXEMPTS SUCH AGREEMENTS FROM THE ANTITRUST LAWS. IN THIS REGARD, THE PERTINENT PORTIONS OF SECTION 15 ARE:

"THAT EVERY COMMON CARRIER BY WATER, OR OTHER PERSON SUBJECT TO THIS ACT, SHALL FILE IMMEDIATELY WITH THE COMMISSION A TRUE COPY, OR, IF ORAL, A TRUE AND COMPLETE MEMORANDUM, OF EVERY AGREEMENT WITH ANOTHER SUCH CARRIER OR OTHER PERSON SUBJECT TO THIS ACT, OR MODIFICATION OR CANCELLATION THEREOF, TO WHICH IT MAY BE A PARTY OR CONFORM IN WHOLE OR IN PART, FIXING OR REGULATING TRANSPORTATION RATES OR FARES; GIVING OR RECEIVING SPECIAL RATES, ACCOMMODATIONS, OR OTHER SPECIAL PRIVILEGES OR ADVANTAGES; CONTROLLING, REGULATING, PREVENTING, OR DESTROYING COMPETITION; POOLING OR APPORTIONING EARNINGS, LOSSES, OR TRAFFIC; ALLOTTING PORTS OR RESTRICTING OR OTHERWISE REGULATING THE NUMBER AND CHARACTER OF SAILINGS BETWEEN PORTS; LIMITING OR REGULATING IN ANY WAY THE VOLUME OR CHARACTER OF FREIGHT OR PASSENGER TRAFFIC TO BE CARRIED; OR IN ANY MANNER PROVIDING FOR AN EXCLUSIVE, PREFERENTIAL, OR COOPERATIVE WORKING

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ARRANGEMENT. THE TERM 'AGREEMENT' IN THIS SECTION INCLUDES UNDERSTANDINGS, CONFERENCES, AND OTHER ARRANGEMENTS. THE COMMISSION SHALL BY ORDER, AFTER NOTICE AND HEARING, DISAPPROVE, CANCEL OR MODIFY ANY AGREEMENT, OR ANY MODIFICATION OR CANCELLATION THEREOF, WHETHER OR NOT PREVIOUSLY APPROVED BY IT, THAT IT FINDS TO BE UNJUSTLY DISCRIMINATORY OR UNFAIR AS BETWEEN CARRIERS, SHIPPERS, EXPORTERS,

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

IMPORTERS, OR PORTS, OR BETWEEN EXPORTERS FROM THE UNITED STATES AND THEIR FOREIGN COMPETITORS, OR TO OPERATE TO THE DETRIMENT OF THE COMMERCE OF THE UNITED STATES, OR TO BE CONTRARY TO THE PUBLIC INTEREST, OR TO BE IN VIOLATION OF THIS ACT, AND SHALL APPROVE ALL OTHER AGREEMENTS, MODIFICATIONS, OR CANCELLATIONS."

LAND;

EVERY AGREEMENT, MODIFICATION, OR CANCELLATION LAWFUL UNDER THIS SECTION, OR PERMITTED UNDER SECTION 14B, (FOOTNOTE) SHALL 0E EXCEPTED FROM THE PROVISIONS OF THE ACT APPROVED JULY 2, 1890, ENTITLED 'AN ACT TO PROTECT TRADE AND COMMERCE AGAINST UNLAWFUL RESTRAINTS AND MONOPOLIES', AND AMENDMENTS AND ACTS SUPPLEMENTARY THERETO,...."

B. SECTION 15 WAS AMENDED TO READ AS SHOWN BY SECTION 2 OF PUBLIC LAW 87-346, APPROVED BY HE PRESIDENT ON OCTOBER 3, 1961. PURSUANT TO SECTION 15, CONFERENCES OF CARRIERS INTENDING TO OPERATE IN THE FOREIGN COMMERCE OF THE UNITED STATES MUST FIRST FILE THEIR ARRANGEMENT OR AGREEMENT WITH THE COMMISSION FOR APPROVAL BEFORE THEY MAY LAWFULLY ENGAGE IN CONCERTED ACTIVITIES IN SAID TRADES.

(FOOTNOTE)
SECTION 14B OF THE SHIPPING ACT, 1916, AUTHORIZES THE COMMISSION TO ....PERMIT THE USE BY ANY COMMON CARRIER

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OR CONFERENCE OF SUCH CARRIERS IN THE FOREIGN COMMERCE OF ANY CONTRACT,...WHICH IS AVAILABLE TO ALL SHIPPERS AND CONSIGNEES...WHICH PROVIDES LOWER RATES TO A SHIPPER OR CONSIGNEE WHO AGREES TO GIVE ALL OR ANY FIXED PORTION OF HIS PATRONAGE TO SUCH CARRIER OR CONFERENCE OF CARRIERS...., SECTION 14B WAS ADDED TO THE ACT BY SECTION 1 OF PUBLIC LAW 87-346. THE COMMISSION'S GENERAL ORDER 19, SERVED SEPTEMBER 22, 1966, SETS FORTH THE FORM OF UNIFORM CONTRACT TO BE USED BY PARTIES DESIRING A CONTRACT RATE SYSTEM.

2. RESPONSE TO QUESTIONS III & IV, REGULATION OF LINER CONFERENCES (JAPAN).

A) PURSUANT TO CERTAIN LANGUAGE OF SECTION 15 OF THE

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

SHIPPING ACT, 1916, THE COMMISSION HAS ISSUED ITS
GENERAL ORDERS 7, 9 AND 14 WHICH, RESPECTIVELY, REQUIRE
THAT LINER CONFERENCES ESTABLISH (A) ADEQUATE SELF-
POLICING RULES AND REGULATIONS UNDER WHICH THE MEMBERS
SHALL OPERATE; (B) REASONABLE AND EQUAL TERMS AND CON-
DITIONS FOR ADMISSION AND READMISSION TO CONFERENCE
MEMBERSHIP, AS WELL AS THE WITHDRAWAL OR EXPULSION
FROM CONFERENCE MEMBERSHIP; AND (C) REASONABLE PROCEDURES
FOR PROMPTLY AND FAIRLY HEARING AND CONSIDERING SHIPPERS'
REQUESTS AND COMPLAINTS. THE GENERAL ORDERS WERE FIRS
ISSUED, RESPECTIVELY, JULY 30, 1963, APRIL 21, 1964, AND
JULY 9, 1965. ALL HAVE SINCE BEEN AMENDED.

B) TO THE EXTENT THAT MEMBERS OF LINER CONFERENCES
ARE DISTINCT COMMON CARRIERS BY WATER, SECTION 14 OF THE
SHIPPING ACT, 1916, PROHIBITS, IN PERTINENT PART, SUCH
COMMON CARRIERS (OPERATING IN EITHER THE DOMESTIC OR
FOREIGN COMMERCE OF THE UNITED STATES) FROM (A) PAYING
OR ALLOWING A DEFERRED REBATE TO ANY SHIPPER; (B) USING
A FIGHTING SHIP IN A PARTICULAR TRADE FOR THE PURPOSE
OF EXCLUDING, PREVENTING OR REDUCING COMPETITION BY
DRIVING ANOTHER CARRIER FROM THE TRADE; (C) RETALIATING
AGAINST ANY SHIPPER BY REFUSING SPACE ACCOMMODATIONS
WHEN SUCH ARE AVAILABLE; OR (D) MAKING ANY UNFAIR OR
UNCLASSIFIED

UNJUSTLY DISCRIMINATORY CONTRACT WITH ANY SHIPPER BASED
ON THE VOLUME OF FREIGHT OFFERED OR UNFAIRLY TREAT OR
UNJUSTLY DISCRIMINATE AGAINST ANY SHIPPER IN THE MATTER
OF (1) CARGO SPACE ACCOMMODATIONS OR OTHER FACILITIES.
(2) THE LOADING AND LANDING OF FREIGHT IN PROPER CONDI-
TION OR, (3) THE ADJUSTMENT AND SETTLEMENT OF CLAIMS.
HENCE, SECTION 14 REGULATES THE ACTIVITIES OF THE MEMBERS
OF LINER CONFERENCES AS PRESCRIBED.

C) AGAIN, TO THE EXTENT THAT MEMBERS OF LINER CON-
FERENCES ARE DISTINCT COMMON CARRIERS BY WATER, SECTION
16 OF THE ACT PROVIDES THAT IT SHALL BE UNLAWFUL FOR
SUCH CARRIERS TO (A) MAKE OR GIVE ANY UNDUE OR UNREASONABLE
PREFERENCE OR ADVANTAGE TO ANY PARTICULAR PERSON, LOCALITY,
OR DESCRIPTION OF TRAFFIC IN ANY RESPECT WHATSOEVER, OR
TO SUBJECT ANY PARTICULAR PERSON, LOCALITY OR DESCRIP-
TION OF TRAFFIC TO ANY UNDUE OR UNREASONABLE PREJUDICE
OR DISADVANTAGE IN ANY RESPECT WHATSOEVER; (B) ALLOW ANY
PERSON TO OBTAIN TRANSPORTATION FOR PROPERTY AT
LESS THAN THE REGULAR RATES OR CHARGES THEN ESTABLISHED
BY MEANS OF FALSE BILLING, FALSE CLASSIFICATION, FALSE
WEIGHING, FALSE REPORT OF WEIGHT, OR BY ANY OTHER

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

UNJUST OR UNFAIR DEVICE OR MEANS; AND (C) INDUCE, PERSUADE, OR OTHERWISE INFLUENCE ANY MARINE INSURANCE COMPANY, ETC., NOT TO GIVE A COMPE ING CARRIER BY WATER AS FAVORABLE A RATE OF INSURANCE ON VESSEL OR CARGO...AS IS GRANTED TO SUCH CARRIER.

D) IN LIKE MANNER, SECTION 17 OF THE ACT PROVIDES THAT NO COMMON CARRIER IN THE FOREIGN COMMERCE SHALL DEMAND, CHARGE, OR COLLECT ANY RATE, FARE OR CHARGE WHICH IS UNJUSTLY DISCRIMINATORY BETWEEN SHIPPERS OR PORTS, OR UNJUSTLY PREJUDICIAL TO EXPORTERS OF THE UNITED STATES AS COMPARED WITH THEIR FOREIGN COMPETITORS AND SAID CARRIER IS TO ESTABLISH, OBSERVE, AND ENFORCE JUST AND REASONABLE REGULATIONS AND PRACTICES RELATING TO OR

CONNECTED WITH THE RECEIVING, HANDLING, STORING OR DELIVERING OF PROPERTY.
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E) SECTION 4 OF PUBLIC LAW 87-346 AMENDED SECTION 18 OF THE SHIPPING ACT, 1916, BY ADDING A NEW SUBSECTION 18(B) WHICH REQUIRED, IN PERTINENT PART, THAT EVERY COMMON CARRIER BY WATER IN FOREIGN COMMERCE AND EVERY CONFEDENCE OF SUCH CARRIERS FILE WITH THE COMMISSION AND KEEP OPEN TO PUBLIC INSPECTION TARIFFS OF BOTH INBOUND AND OUTBOUND FREIGHT RATES. SIGNIFICANTLY, IT ALSO REQUIRED THAT RATE INCREASES OR NEW OR INITIAL RATES MAY NOT BE EFFECTIVE ON LESS THAN 30-DAYS' ADVANCE NOTICE, EXCEPT BY SPECIAL PERMISSION GRANTED UPON A SHOWING OF GOOD CAUSE. IN THIS RESPECT, THE TARIFF FILING ACTIVITIES OF LINER CONFERENCES ARE REGULATED BY SECTION 18(B).

F) SECTION 20 OF THE ACT ALSO REGULATES THE ACTIVITIES OF THE INDIVIDUAL MEMBERS OF LINER CONFERENCES BY MAKING IT UNLAWFUL TO RECEIVE CERTAIN INFORMATION AND THEN KNOWINGLY DISCLOSE THAT INFORMATION TO ANY PERSON OTHER THAN THE SHIPPER OR CONSIGNEE, WHICH INFORMATION MAY BE USED TO THE DETRIMENT OR PREJUDICE OF SUCH SHIPPER OR CONSIGNEE OR WHICH MAY BE USED TO THE DETRIMENT OR PREJUDICE OF ANY CARRIER. IT SHALL ALSO BE UNLAWFUL FOR ANY PERSON TO SOLICIT OR KNOWINGLY RECEIVE ANY SUCH INFORMAION WHICH MAY BE SO USED.

G) SECTION 21 GIVES THE COMMISSION AUTHORITY TO ....REQUIRE ANY COMMON CARRIER BY WATER OR OTHER PERSON SUBJECT TO THIS ACT..., TO FILE WITH IT ANY PERIODICAL OR SPECIAL REPORT, OR ANY ACCOUNT, RECORD, RATE, OR

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

CHARGE, OR ANY MEMORANDUM OF ANY FACTS AND TRANSACTIONS APPERTAINING TO THE BUSINESS PROVIDING IT WITH INFORMATION WHICH EFFECTIVELY STRENGTHENS ITS REGULATION OF THE MEMBERS OF LINER CONFERENCES.

H) PURSUANT TO SECTIONS 15 AND 43 OF THE ACT THE COMMISSION PROMULGATED ITS GENERAL ORDER 18 ON JANUARY 18, 1966 (SINCE AMENDED), GOVERNING THE MAINTENANCE OF MINUTES AND THE FILING OF REPORTS BY PARTIES TO CONFERENCE AGREEMENTS. THE ORDER SPECIFICALLY PROVIDES THAT THE PARTIES TO AN APPROVED CONFERENCE AGREEMENT SHALL, THROUGH A DESIGNATED OFFICIAL, FILE WITH THE UNCLASSIFIED

COMMISSION REPORTS OF ALL MEETINGS HELD DESCRIBING ALL MATTERS WITHIN THE SCOPE OF THE AGREEMENT WHICH ARE DISCUSSED OR TAKEN UP AT ANY SUCH MEETING AND SHALL SPECIFY THE ACTION TAKEN WITH RESPECT TO EACH SUCH MATTER.

I) WHILE NOT SPECIFICALLY REGULATING THE ACTIVITIES OF CONFERENCES UNDER GENERAL ORDER 18, ITS FILING REQUIREMENTS PROVIDE THE COMMISSION WITH INFORMATION WHICH EFFECTIVELY STRENGTHENS THE REGULATION OF SAID CONFERENCES.

J) SECTION 205 OF THE MERCHANT MARINE ACT, 1936, PROVIDES, IN PERTINENT PART, THAT "IT SHALL BE UNLAWFUL FOR ANY COMMON CARRIER BY WATER...THROUGH THE MEDIUM OF AN AGREEMENT, CONFERENCE, ASSOCIATION...TO PREVENT OR ATTEMPT TO PREVENT ANY OTHER SUCH CARRIER FROM SERVING ANY PORT DESIGNED FOR THE ACCOMMODATION OF OCEAN-GOING VESSELS LOCATED ON ANY IMPROVEMENT PROJECT AUTHORIZED BY THE CONGRESS OR THROUGH IT BY ANY OTHER AGENCY OF THE FEDERAL GOVERNMENT LYING WITHIN THE CONTINENTAL LIMITS OF THE UNITED STATES, AT THE SAME RATES WHICH IT CHARGES AT THE NEAREST PORT ALREADY REGULARLY SERVED BY IT.

K) THE PROHIBITION UNDER SECTION 205 REGULATES A CONFERENCE FROM CONCERTEDLY PREVENTING ANY OF ITS MEMBERS TO SERVE A PORT IN THE MANNER PRESCRIBED.

3. RESPONSE TO QUESTIONS I & II, SHIPPERS' ORGANIZATIONS (JAPAN).

A) IN THE UNITED STATES THERE ARE NO SHIPPERS' COUNCILS SUCH AS THOSE THAT HAVE BEEN ORGANIZED IN CERTAIN EUROPEAN COUNTRIES, BUT OTHER TYPES OF

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

BUSINESS ORGANIZATIONS HAVE BEEN CREATED FOR VARIOUS PURPOSES AND SOME OF THESE APPEAR TO FUNCTION IN SOME RESPECTS AS SHIPPERS' ORGANIZATIONS. IMPORTANT TRADE ASSOCIATIONS HAVE ALWAYS INTERESTED THEMSELVES IN THE TERMS AND CONDITIONS OF THE CARRIAGE OF THEIR MEM-
UNCLASSIFIED

UNCLASSIFIED

PAGE 08 STATE 186524

BERS' COMMODITIES BOTH IN DOMESTIC AND INTERNATIONAL TRADE.

B) THE NATIONAL INDUSTRIAL TRAFFIC LEAGUE HAS INVOLVED ITSELF CLOSELY IN THE DAILY PROBLEMS OF AMERICAN SHIPPERS IN INTERNATIONAL COMMERCE. THE LEAGUE IS AN ORGANIZATION OF ABOUT 1,600 INDUSTRIAL FIRMS AND TRADE ASSOCIATIONS. MANY OF THESE ASSOCIATIONS REPRESENT HUNDREDS OF OTHER INDIVIDUAL FIRMS. THE LEAGUE HAS AN ACTIVE EXPORT- IMPORT AND MARITIME COMMITTEE, WHICH WORKS ON SHIPPER-CARRIER PROBLEMS AND HAS WORKED WITH COMMITTEES OF INTERNATIONAL SHIPPING LINES.

C) CHAMBERS OF COMMERCE AND SIMILAR INSTITUTIONS NORMALLY HAVE ORGANIZATIONAL UNITS THAT CAREFULLY FOLLOW TRANSPORTATION MATTERS, INCLUDING THE PROBLEMS OF THE CARRIAGE OF GOODS IN AMERICAN OCEAN COMMERCE. THE TRAFFIC COMMITTEE OF THE COMMERCE AND INDUSTRY ASSOCIATION OF NEW YORK IS CONCERNED WITH OCEAN FREIGHT MATTERS AND THE AMERICAN AUTOMOBILE MANUFACTURERS ASSOCIATION HAS AN OCEAN RATE COMMITTEE THAT NEGOTIATES WITH STEAMSHIP CONFERENCES ON THE CONDITIONS OF CARRIAGE OF GOODS BY SEA.

D) FROM THE PARAGRAPHS ABOVE IT IS CLEAR THAT THERE IS IN EXISTENCE IN THE UNITED STATES A WIDE NETWORK OF BUSINESS ASSOCIATIONS AND INDUSTRY ORGANIZATIONS THAT IS DEEPLY CONCERNED WITH MEMBERS' TRANSPORTATION PROBLEMS, INCLUDING THE PROBLEMS OF OCEAN TRANSPORT. THESE INSTITUTIONS ARE EQUIPPED TO AND DO IN FACT HANDLE MANY OF THE MATTERS THAT INVOLVE SHIPPERS AND SHIP OPERATORS AND THEIR ORGANIZATIONS. GENERALLY SPEAKING, HOWEVER, THESE ORGANIZATIONS DO NOT NEGOTIATE INDIVIDUAL FREIGHT RATES WITH OCEAN CARRIERS OR CONFERENCES; RATES CONTINUE TO BE SET UNILATERALLY BY THE LINES OR CONFERENCES, OR ARE THE SUBJECT OF NEGOTIATION BETWEEN SHIPPERS (IN SOME INSTANCES ORGANIZATIONS OF PRODUCERS OF SIMILAR PRODUCTS) AND THE LINES OR CONFERENCES. GOVERNMENT PLAYS A ROLE IN
UNCLASSIFIED

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

THESE ACTIVITIES TO THE EXTENT OF LICENSING OR CHARTER-
ING BUSINESS AND COMMERCIAL ASSOCIATIONS AT THE LOCAL OR
STATE LEVEL. AT THE NATIONAL LEVEL, THE GOVERNMENT
REGISTERS CERTAIN ASSOCIATIONS OF EXPORTERS AND,
THROUGH THE AGENCY OF THE FEDERAL MARITIME COMMISSION,
REGULATES COMMON CARRIERS AND STEAMSHIP CONFERENCES IN
THE UNITED STATES OCEAN-BORNE TRADE.

E) SHIPPERS' COUNCILS AS SUCH HAVE NOT BEEN FORMED
IN THE UNITED STATES BECAUSE OTHER ESTABLISHED ORGANI
ZATIONS INCLUDE AMONG THEIR FUNCTIONS MANY - AND IN SOME
CASES PROBABLY ALL - OF THE RESPONSIBILITIES ASSUMED BY
THE TYPICAL EUROPEAN SHIPPERS' COUNCIL. UNDER THE
AMERICAN SYSTEM, FURTHERMORE, THE FEDERAL MARITIME COM-
MISSION REGULATES COMMON CARRIERS AND CONFERENCES IN
THE PUBLIC INTEREST, THUS MINIMIZING THE NEED TO PROVIDE
ORGANIZED SHIPPERS WITH THE CONSIDERABLE ECONOMIC POWER
NEEDED TO DEAL ON EQUAL TERMS WITH ORGANIZED CARRIERS.

4. RESPONSE TO QUESTIONS I, II, & III, MARITIME RELA-
TIONS WITH THE SOVIET UNION (US)

A) A MARITIME AGREEMENT BETWEEN THE UNITED STATES
AND THE SOVIET UNION WAS SIGNED IN WASHINGTON ON OCTOBER
14, 1972 AND WENT INTO EFFECT NOVEMBER 22, 1972 AND
HAS BEEN APPLIED RETROACTIVELY TO ALL GRAIN SHIPMENTS
SINCE JULY 1, 1972. THE AGREEMENT SETS FORTH THE INTEN-
TION OF THE TWO GOVERNMENTS THAT THE NATIONAL FLAG
VESSELS OF EACH COUNTRY WILL EACH CARRY EQUAL AND SUB-
STANTIAL SHARES OF THE OCEAN-BORNE COMMERCE BETWEEN THE
TWO NATIONS. AT THE SAME TIME, THE AGREEMENT RECOG-
NIZES THE POLICY OF EACH COUNTRY WITH RESPECT TO PARTI-
CIPATION IN ITS TRADE BY THIRD-FLAG VESSELS. A COPY OF
THE ACCORD WAS PROVIDED THE MTC SECRETARIAT LAST FALL.

B) PRIOR TO JULY, 1972 PRACTICALLY ALL CARGO MOVING
IN THE US-USSR BILATERAL TRADE WAS CARRIED ON THIRD-FLAG
VESSELS. HOWEVER, SMALL AMOUNTS OF CARGO MOVED ON

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

SOVIET VESSELS THROUGH MONTREAL, QUEBEC, CANADA AND TO AND FROM THE U.S. PACIFIC COAST.

C) GRAIN CARRIAGE FIGURES FOR THE PERIOD JULY 1, 1972 - AUGUST 31, 1973 WERE:

UNITED STATES - 3,159,332 MT (17.5 PER CENT)
USSR - 2,601,946 MT (14.4 PER CENT)
THIRD-FLAG - 12,244,448 MT (68.1 PER CENT)

D) THE TOP TEN THIRD FLAG CARRIERS WERE:

(METRIC TONNAGE AND PER CENT)
(1) LIBERIA (2,721,916) (15.1)
(2) GREECE (2,157,977) (12.0)
(3) NORWAY (2,007,397 (11.2)
(4) YUGOSLAVIA (1,050,240) (5.8)
(5) ITALY (979,363) (5.4)
(6) U.K. (567,735) (3.2)
(7) SWEDEN (492,028) (2.7)
(8) W. GERMANY (344,756) (1.9)
(9) INDIA (293,335) (1.6)
(10) DENMARK (199.111) (1.1)

E) DATA RELATING TO LINER CARGO MOVEMENTS SINCE NOVEMBER, 1972 IN THE US-USSR TRADE IS BEING COMPILED AND WILL BE FORWARDED SHORTLY.

5. RESPONSE TO QUESTIONS I, II, & III, CARGO CARRIAGE PRACTICES (US)

A) THE REQUESTED STATISTICAL BREAKDOWN SHOWING THE TOTAL VALUE AND TONNAGE OF COMMERCIAL CARGO (LINER, NON-LINER AND TANKER) CARRIED IN US OCEAN-BORNE FOREIGN TRADE AND US FLAG PARTICIPATION THEREIN FOR THE YEARS

UNCLASSIFIED

1970-1972 INCLUSIVE AND THE FIRST QUARTER OF 1973 IS SET FORTH IN ANNEX A (AIRPOUCHED OECD PARIS, SEPT. 17).

B) US NATIONAL LAWS, REGULATIONS AND ADMINISTRATIVE PRACTICES DO NOT REQUIRE THE CARRIAGE, EITHER TOTALLY OR IN PART OF ANY COMMODITIES PER SE BY NATIONAL FLAG CARRIERS.

C) THE FEW STATE CORPORATIONS OR MONOPOLIES THAT EXIST IN THE US ARE CONFINED MAINLY TO ELECTRICAL POWER

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

GENERATION, I.E. THE TENNESSEE VALLEY AUTHORITY AND THE BONNEVILLE POWER ADMINISTRATION. IMPORT CARGOES FOR THE ACCOUNT OF SUCH AGENCIES, WHICH ARE INSIGNIFICANT, WOULD NORMALLY BE SHIPPED ON US FLAG VESSELS IF AVAILABLE IN ACCORDANCE WITH THE GENERAL SERVICES ADMINISTRATION REGULATIONS. RUSH

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Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

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Copy: SINGLE
Draft Date: 19 SEP 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973STATE186524
Document Source: CORE
Document Unique ID: 00
Drafter: JPSTEINMETZ:EW
Enclosure: n/a
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EO Systematic Review
30 JUN 2005

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